

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:4582
ANSWERED ON:23.08.2001
OIL ASSOCIATIONS ACCUSES GOVERNMENT
VILAS BABURAO MUTTEMWAR

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) Whether attention of the Government has been drawn to the news item captioned 'Oil Association Accuses Government of double standard' appearing in the 'Times of India' dated July 6, 2001;
- (b) if so, the terms finalised for the award of work for exploration by private parties;
- (c) whether any inconsistency has been noticed in terms of quoted work programme of the first phase of exploration;
- (d) whether the bids of some private companies were based on 1000 line k.m. data as against data available of only 100 k.m;
- (e) if so, the factual position in the matter, and
- (f) the steps taken by the Government to remove the anomalous position?

Answer

Minister of State in the Ministry of Petroleum & Natural Gas (SHRI SANTOSH KUMAR GANGWAR)

(a): Yes, Sir.

(b): A Production Sharing Contract (PSC) in respect of the Exploration Block No. AS-ONN-2000/1 was signed on 17.07.2001 with the consortium (Contractor) comprising Reliance Industries Limited and Hardy Exploration & Production India Inc. The PSC provides for the minimum work programme to be carried out by the Contractor as well as the fiscal terms.

(c): No, Sir.

(d) & (e): The above Contractor had given a work programme consisting of reprocessing of 1020 line k.m. (LKM) of seismic data in phase I. Although, the old seismic data available within the block is about 120 LKM, there is no restriction on the Contractor to procure and reprocess such seismic data as is considered relevant for the work in the block. In case of failure by the Contractor to fulfill the minimum work programme, PSC provides for payment by the Contractor to the Government for the unfinished work programme.

(f) Does not arise in view of (d) & (e) above.